

**TOWN OF BILLINGS
BILLINGS, OKLAHOMA**

**AGREED UPON PROCEDURES
AND ACCOMPANYING
AUDITOR'S REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2022**



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Members of American
Institute of Certified
Public Accountants

Members of Oklahoma
Society of Certified
Public Accountants

Practitioner's Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Board, Town of Billings
Billings, Oklahoma

Trustees of the Billings Public Works Authority
Billings, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have performed the procedures enumerated below as defined within the applicable state laws of the State of Oklahoma solely to assist the Town of Billings (the "Town") and the Billings Public Works Authority (the "Authority") in meeting its financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2022. Management of the Town and the Authority are responsible for the Town's and Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town and the Authority have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting its financial accountability requirements as prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1-.3. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Procedures and Findings

As to the Town of Billings as of and for the fiscal year ended June 30, 2022:

- I. **Procedures Performed:** Prepare a schedule of changes in fund balances for each fund from the Town's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I. No instances of noncompliance noted.

- II. **Procedures Performed:** Prepare a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund and compare the actual expenditures reported to the authorized appropriations to report any noted instances on noncompliance with the appropriation limitations.

Findings: See Exhibit II. No instances of noncompliance noted.

- III. **Procedures Performed:** Agree the Town's material bank account balances to bank statements and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No instances of noncompliance noted.

- IV. **Procedures Performed:** Compare the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted. All deposits were insured or collateralized at June 30, 2022.

- V. **Procedures Performed:** Compare use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: All restricted police department sales tax funds have been transferred to the Police Department Special Revenue fund. There is no balance due to the fund from the General fund as of June 30, 2022. No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VII. **Procedures Performed:** Compare the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: No such compliance requirements were identified that were applicable to the Town.

As to the Billings Public Works Authority, as of and for the year ended June 30, 2022:

- I. **Procedures Performed:** Prepare a schedule of revenues, expenditures and changes in fund balance-cash basis from the Authority's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit III. No instances of noncompliance noted.

- II. **Procedures Performed:** Agree the Authority's material bank account balances to bank statements and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No unusual or significant reconciling items were noted.

- III. **Procedures Performed:** Compare the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted. All deposits were insured or collateralized at June 30, 2022.

- IV. **Procedures Performed:** Compare the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- V. **Procedures Performed:** Compare the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: The Authority had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance.

We were engaged by the Town of Billings and the Billings Public Works Authority to perform this agree-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the additional requirements prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1.-3. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, to meet the requirements prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1.-3. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Town of Billings and the Billings Public Works Authority and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than those specified parties.



rsmeacham
CPA - ADVISORS

Clinton, Oklahoma
July 27, 2022

TOWN OF BILLINGS, OKLAHOMA
SUMMARY OF CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Beginning of Year Fund Balance</u>	<u>Current Year Change</u>	<u>End of Year Fund Balance</u>
TOWN OF BILLINGS, OK			
General Fund	\$ 235,609	81,541	\$ 317,150
Public Works Authority	\$ 1,107,091	(338)	\$ 1,106,753

TOWN OF BILLINGS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Amended	Amounts	Final Budget
				Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 99,718	\$ 99,718	\$ 235,609	\$ 135,891
Resources (Inflows):				
Sales	123,748	123,748	155,561	31,813
PD Restricted	41,249	41,249	-	(41,249)
Use	25,245	25,245	27,943	2,698
Franchise	13,201	15,401	15,404	3
Other Taxes	14,583	19,083	21,065	1,982
Other Revenue	2,500	62,158	19,754	(42,404)
Total current year resources	<u>220,526</u>	<u>286,884</u>	<u>239,727</u>	<u>(47,157)</u>
Amounts available for appropriation	<u>\$ 320,244</u>	<u>\$ 386,602</u>	<u>\$ 475,336</u>	<u>\$ 88,734</u>
Charges to Appropriations (Outflows):				
General Government:				
Personal services	50,204	50,204	47,179	3,025
Materials and supplies	7,500	7,500	4,045	3,455
Other charges and services	75,500	75,500	72,388	3,112
Total General Government	<u>133,204</u>	<u>133,204</u>	<u>123,612</u>	<u>9,592</u>
Street and Alley				
Materials and supplies	22,000	22,000	15,662	6,338
Other charges and services	15,500	15,500	10,529	4,971
Total Street and Alley	<u>37,500</u>	<u>37,500</u>	<u>26,191</u>	<u>11,309</u>
Fire Department				
Other charges and services	6,000	8,500	8,383	117
Total Fire Department	<u>6,000</u>	<u>8,500</u>	<u>8,383</u>	<u>117</u>
Code Enforcement				
Other charges and services	425	425	-	425
Total Code Enforcement	<u>425</u>	<u>425</u>	<u>-</u>	<u>425</u>
Total current year appropriations	<u>177,129</u>	<u>179,629</u>	<u>158,186</u>	<u>21,443</u>
Transfers Out	<u>41,249</u>	<u>84,563</u>	<u>-</u>	<u>84,563</u>
Total charges to appropriations	<u>\$ 218,378</u>	<u>\$ 264,192</u>	<u>\$ 158,186</u>	<u>\$ 106,006</u>
Change in Fund Balance	<u>2,148</u>	<u>22,692</u>	<u>81,541</u>	<u>(58,849)</u>
Ending Budgetary Fund Balance	<u>\$ 101,866</u>	<u>\$ 122,410</u>	<u>\$ 317,150</u>	<u>\$ 194,740</u>

BILLINGS PUBLIC WORKS AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

Net Operating Income	
Gas Revenue	\$ 109,633
Gas Expenses	125,401
Gas Operating Income	<u>(15,768)</u>
Water Revenue	102,956
Water Expenses	154,094
Water Operating Income	<u>(51,138)</u>
Sewer Revenue	69,177
Sewer Expenses	42,440
Sewer Operating Income	<u>26,737</u>
Trash Revenue	32,935
Trash Expenses	15,207
Trash Operating Income	<u>17,728</u>
Parks & Rec Revenue	10,237
Parks & Rec Expenses	13,559
Parks & Rec Operating Income	<u>(3,322)</u>
Total Operating Net Income/(Loss)	<u>(25,763)</u>
Non-Operating Income	
Administration Revenue	123,314
Administration Expenses	(96,267)
Transfers In/(Out)	(1,622)
Total Non-Operating Income/(Loss)	<u>25,425</u>
Change in Fund Balance	(338)
Beginning Modified Cash Fund Balance	1,107,091
Ending Modified Cash Fund Balance	<u>\$ 1,106,753</u>